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SUBJECT: CODEL KERRY MEETING WITH NPC VICE CHAIRMAN LU

YONGXIANG

(U) This message is sensitive but unclassified. Not for distribution outside USG channels.

SUMMARY

11. (SBU) China "resolutely opposed" the latest North Korean nuclear test and wanted to work with the international community to push North Korea back to the Six Party Talks said

National People's Congress Vice Chairman Lu Yongxiang in a meeting with Senator John Kerry on May 26. On climate change,

Lu pushed for "common but differentiated responsibilities" and

stated that only reductions in per capita emissions would be possible. Senator Kerry pushed back, arguing that the critical figure in reducing greenhouse gases was each country's total, not per capita, output of green house gases into the atmosphere and that China needed to take "measurable,

verifiable and reportable" steps to combat climate change. Lu

also lauded U.S.-China bilateral relations as "the most important in the world" and encouraged Senator Kerry not to support protectionism.

12. (U) Participants:

U.S. Participants

Senator John Kerry (D-MA)

Frank Jannuzi, Professional Staff Member, Senate Foreign

Relations Committee

Kathleen Frangione, Professional Staff Member, Senate Foreign Relations Committee

Christopher Green, First Secretary

Will McCue, Notetaker

Chinese Participants

Lu Yongxiang, NPC Vice Chairman Ma Wenpu, Vice Chairman of the NPC Foreign Relations Committee

Hong Yingchun, Deputy Director General, NPC Foreign Relations Committee

13. (SBU) China "resolutely opposed the North Korean nuclear test" and "firmly supported the peace and stability of the North East Asia region" said National People's Congress Vice Chairman Lu Yongxiang in a meeting with Senator John Kerry on May 26. Lu referred to the May 25 Foreign Ministry Statement which he said made clear China's "resolute opposition" to the test. China encouraged North Korea to work with the international community to avoid a worsening of the situation,

said Lu. North Korea must also "abide by its commitments" and

the international community should work together to push North

Korea back to the Six-Party Talks. Lu noted that the issue was more pressing for China than the United States because China was a neighbor of North Korea.

China's Efforts to Combat Climate Change

14. (SBU) Climate Change was a global issue that demanded a global response and China had begun efforts to reduce emissions, said Lu. The National People's Congress had revised laws to punish polluters and the Chinese government had taken measures to shut down high polluting small and medium sized enterprises. Lu also said that emissions reduction would be a "primary goal" of China's coming five year plan and China would aim to reduce per capita emissions

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compared to the last five years.

International and Bilateral Cooperation on Climate Change

¶5. (SBU) There were great differences between the per capita emissions of China -- the world's largest developing country -- and the United States -- the world's largest developed country, said Lu. However, all countries should work together

to reduce emissions based on the principle of "common but differentiated responsibilities" and should follow international agreements on climate change. Lu noted new U.S.

policies to tackle climate change and asked the United States to provide technological support to China to reduce

China was also ready to "make efforts to ensure that the upcoming climate change meeting in Copenhagen was a success," said Lu. In response, Senator Kerry told Lu that science had shown that the critical factor for climate change was the total amount of green house gasses released and not per capita

emissions. Senator Kerry emphasized that China was the number

one emitter of greenhouse gasses followed by the United States. Steps taken in the United States to reduce emissions would be completely undone if countries like China, India and Russia continued with their old practices, said Senator Kerry.

The Copenhagen talks would fail unless China was willing to take "measurable, verifiable and reportable" steps to reduce total emissions.

Lu Responds

 $\P6.$ (SBU) Lu thanked Senator Kerry "for his candidness," but said that the emissions issue was not just an issue of science

but also an economic and political one. The international community should take fairness into consideration when

discussing responsibility for emissions, he added. China's per capita GDP was 1/5 to 1/6 of the United States and the U.S. economy was structured differently than China's, noted Lu. 85 percent of the U.S. economy was in the service sector while manufacturing of goods for the U.S. market had moved to China. Lu warned that in the next 10-15 years a total reduction in Chinese green house emissions would be very difficult to achieve but a per capita reduction would be an achievable goal. China and the United States should proceed from a long-term and strategic perspective to work together to

reduce emissions, he suggested.

Bilateral Relations

 \P 7. (SBU) The U.S.-China relationship was "the most important bilateral relationship in the world," said Lu. Lu praised bilateral cooperation on regional and international issues and

said that economic cooperation and trade were "mutually beneficial." While there had been "small amounts of trade friction," the momentum of the trading relationship was "unstoppable." Lu said that he was happy to see an increased congressional interest in China recently, but noted that there

were "some negative voices in the U.S. Congress" regarding China. Both China and the United States should "join hands" to resist trade protectionism. Trade protectionism would "not

be beneficial to the U.S. recovery" from the financial crisis.

Lu encouraged Senator Kerry to resist supporting protectionist bills.

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